

the same as the budget request. The Committee expects to be kept apprised of CLIF lending activity.

The Committee recommends the budget request of not more than \$310,000 for administrative expenses.

COMMUNITY DEVELOPMENT REVOLVING LOAN FUND

Fiscal year 2004 recommendation	\$1,000,000
Fiscal year 2003 appropriation	1,000,000
Fiscal year 2004 budget request	1,000,000
Comparison with fiscal year 2003 appropriation	0
Comparison with fiscal year 2004 request	0

The Community Development Revolving Loan Fund Program (CDRLF) was established in 1979 to assist officially designated "low-income" credit unions in providing basic financial services to low-income communities. Low-interest loans and deposits are made available to assist these credit unions. Loans or deposits are normally repaid in five years, although shorter repayment periods may be considered. Technical assistance grants are also available to low-income credit unions. Earnings generated from the CDRLF are available to fund technical assistance grants in addition to funds provided for specifically in appropriations acts. Grants are available for improving operations as well as addressing safety and soundness issues.

The Committee recognizes that the technical assistance grant program is oversubscribed and therefore recommends that \$1,000,000 be provided specifically for technical assistance grants to low-income and community development credit unions to be available for fiscal year 2004.

The Committee strongly urges the NCUA to seek a partnership agreement with the Department of Housing and Urban Development to further expand credit union services in public housing developments plagued by unscrupulous financial intermediaries and check cashing operations.

NATIONAL SCIENCE FOUNDATION

Fiscal year 2004 recommendation	\$5,639,070,000
Fiscal year 2003 appropriation	5,309,951,000
Fiscal year 2004 budget request	5,481,200,000
Comparison with fiscal year 2003 appropriation	+329,119,000
Comparison with fiscal year 2004 request	+157,870,000

Established in 1950 the National Science Foundation. The primary purpose behind its creation was to develop a national policy on science, and support and promote basic research and education in the sciences filling the void left after World War II. The Committee is committed to keeping the Foundation's current activities true to the founding purpose of supporting basic science.

The Committee recommends a total of \$5,639,070,000 for fiscal year 2004. This recommendation is an increase of \$329,119,000 above last year's appropriation and an increase of \$157,870,000 above the President's budget request.

Of the amounts approved in the following appropriations accounts, the Foundation must limit transfers of funds between programs and activities to not more than \$500,000 without prior approval of the Committee. Further, no changes may be made to any account or program element if it is construed to be policy or a change in policy. Any activity or program cited in this report shall

be construed as the position of the Committee and should not be subject to reductions or reprogramming without prior approval of the Committee. Finally, it is the intent of the Committee that all carryover funds in the various appropriations accounts are subject to the normal reprogramming requirements outlined above.

The Committee directs the NSF to remove the "People," "Ideas," and "Tools" descriptions from the regular account chapters in the budget justifications and instead consolidate that information under the separate chapter titled "Investments and Strategic Goals." The Committee reminds NSF that the budget justification books are intended only for the Committees on Appropriations in order to provide further detail on the budget request. Information on strategic planning should be included in a separate chapter, and not a part of, the appropriations chapters.

RESEARCH AND RELATED ACTIVITIES

Fiscal year 2004 recommendation	\$4,306,360,000
Fiscal year 2003 appropriation	4,056,460,000
Fiscal year 2004 budget request	4,106,360,000
Comparison with fiscal year 2003 appropriation	+249,900,000
Comparison with fiscal year 2004 request	+200,000,000

The appropriation for Research and Related Activities covers all programs in the Foundation except Education and Human Resources, Salaries and Expenses, Major Research Equipment and Facilities Construction, the National Science Board, and the Office of Inspector General. Those are funded in other accounts in the bill. The Research and Related Activities appropriation includes United States Polar Research Programs and Antarctic Logistical Support Activities and the Critical Technologies Institute, which were previously funded through separate appropriations.

The Committee recommends a total of \$4,306,360,000 for Research and Related Activities in fiscal year 2003, an increase of \$249,900,000 above last year's funding level and an increase of \$200,000,000 above the budget request. The Committee's recommendation includes the following program levels:

Directorate	2003 request	2004 recommendation
Biological Sciences	\$562,220,000	\$586,841,000
Computer & Information Science & Engineering	584,250,000	609,846,000
Engineering	536,570,000	560,067,000
Geosciences	687,820,000	716,045,000
Mathematical & Physical Sciences	1,061,270,000	1,107,745,000
Social, Behavioral & Economic Sciences	711,740,000	721,012,000
Polar Programs	329,930,000	385,000,000
Integrative Activities	132,450,000	147,804,000

Except as specifically noted herein, in allocating the increases provided by the Committee, the Foundation should give the highest priority to increasing research opportunities for investigator initiated research in the core scientific disciplines. Should the NSF find it necessary to pursue funds for "emergency" research needs at any time during the fiscal year, the Committee will make every effort to respond to appropriate reprogramming requests as quickly as possible.

Within the funds made available for the Mathematical and Physical Sciences directorate, the Committee directs the NSF to use not

less than \$8,000,000 million for planning and design activities for the Rare Symmetry Violating Processes program in an effort to accelerate the construction phase of this program.

From within the Engineering, Mathematical and Physical Sciences, and Computer and Information Science and Engineering Directorates and the National Nanotechnology Initiative, the Committee is concerned that researchers are reaching the physical limits of current complementary metal oxide semiconductor process technology and that this will have significant implications for continued productivity growth in the information economy. The Committee encourages NSF to examine the challenges and timelines outlined in the International Technology Roadmap for Semiconductors and, where feasible, increase research support in this area accordingly.

While the National Institutes of Health has principal responsibility for research involving human health and disease, NSF has historically played a critical role in funding long range basic research and technology development which have been critical to NIH's more focused mission. NSF's work on the basic chemical processes which made possible the mapping of the human genome is perhaps the best known example of this extraordinarily important collaboration. The Committee believes that the future of scientific advancement in both the physical sciences and the life sciences will increasingly rely on such collaborations and urges the NSF to work aggressively with NIH to determine how this research can be strengthened. The Committee has recently asked the NIH to convene a conference of all the stakeholder agencies within the Federal government whose missions involve the conduct or support of research at the scientific interface between the life sciences and the physical sciences. NSF is encouraged to play a leading role in this conference, which will hopefully occur during 2003. The Director should be prepared to testify to the Committee at NSF's appropriations hearings on the 2005 budget on the results of this conference as they relate to NSF and on any changes in resource allocations or management systems within NSF which would strengthen this critical area of research.

For the Office of Polar Programs (OPP), an increase of \$25,070,000 above the budget request, for a program level of \$355,000,000, has been provided to enhance the ongoing research effort as well as to provide additional necessary resources for operations, research support and logistics, and science and research grant support. Expenses for the Antarctic operation programs have substantially increased due to the weather and unique situation created by lodged icebergs and three-year ice in the bay. The Committee has provided NSF with the flexibility to meet the funding needs in this situation and expects NSF to fully fund the Antarctic operations.

The Committee recommends that all other programs and activities within the "Research and related activities" account not already mentioned above should be funded at the levels proposed in the NSF 2004 budget justification.

MAJOR RESEARCH FACILITIES CONSTRUCTION AND EQUIPMENT

Fiscal year 2004 recommendation	\$192,330,000
Fiscal year 2003 appropriation	148,538,000
Fiscal year 2004 budget request	202,330,000
Comparison with fiscal year 2003 appropriation	+43,792,000
Comparison with fiscal year 2004 request	-10,000,000

This account provides funding for the construction of major research facilities that provide unique capabilities at the cutting edge of science and engineering.

The Committee recommends a total of \$192,330,000 for the major research construction and equipment account for fiscal year 2004, an increase of \$43,792,000 over the fiscal 2003 funding level and \$10,000,000 less than the budget request.

The Committee's recommendation includes:

Project	2004 request	2004 recommendation
Atacama Large Millimeter Array (ALMA)	\$50,840,000	\$50,840,000
EarthScope	45,000,000	43,530,000
IceCube Neutrino Detector Observatory	60,000,000	42,000,000
George E. Brown Jr. Network for Earthquake Engineering Simulation	8,000,000	8,000,000
South Pole Station	960,000	960,000
Terascale Computing Systems	20,000,000	10,000,000
National Ecological Observatory Network (NEON)	12,000,000	12,000,000
Integrated Ocean Drilling Program (IODP)	0	25,000,000

In 2003, the Committee provided funds in addition to the budget request in order to complete or accelerate construction of two NSF projects: \$25,360,000 for completion of the HIAPER project and \$24,700,000 to accelerate the IceCube Neutrino Detector Observatory. Consequently, the Committee recommendation has taken the 2003 funding levels into consideration and adjustments were taken accordingly.

The Committee recommends \$10,000,000 for the Terascale Computing Systems and \$960,000 for the South Pole Station in 2004, the final year of funding for both of these projects.

The Committee's recommendation includes \$12,000,000 for a demonstration of the National Ecological Observatory Network (NEON) project as requested in the budget submission. The Committee cautions NSF that this funding is provided purely for two prototype sites to determine the scientific requirements and optimum configuration of the network. Further, before NSF deploys the two prototype stations and formulates future budget requests for this project, NSF must identify and quantify other Federal funding and observatory networks in order to avoid redundancy of Federal research dollars and reduce the overall cost of the NEON project. The Committee directs NSF to provide a preliminary report to the Committee no later than 18 months from the enactment of this legislation and a final report no later than 24 months after enactment. The Committee will not entertain further budget requests for NEON until the final report is submitted to the Committees on Appropriations.

The Committee recommends \$25,000,000 to start the construction phase of the Integrated Ocean Drilling Program (IODP) in 2004 instead of 2005.

The Committee recommends funding for the preliminary planning and design phase of the RSVP program under the "Research and related activities" account.

EDUCATION AND HUMAN RESOURCES

Fiscal year 2004 recommendation	\$904,680,000
Fiscal year 2003 appropriation	903,171,000
Fiscal year 2004 budget request	938,040,000
Comparison with fiscal year 2003 appropriation	+1,509,000
Comparison with fiscal year 2004 request	-33,360,000

The Foundation's Education and Human Resources activities are designed to encourage the entrance of talented students into science and technology careers, to improve the undergraduate science and engineering education environment, to assist in providing all pre-college students with a level of education in mathematics, science, and technology that reflects the needs of the nation and is the highest quality attained anywhere in the world, and extend greater research opportunities to underrepresented segments of the scientific and engineering communities.

For fiscal year 2004, the Committee recommends \$904,680,000, an increase of \$1,509,000 above last year's appropriated level and \$33,360,000 below the budget request.

The Committee's recommendation includes the following program levels:

Program	2004 Request	2004 Recommendation
Math and Science Partnerships	\$200,000,000	\$140,000,000
EPSCoR	75,000,000	90,000,000
Elementary, Secondary and Informal Education	194,450,000	204,450,000
Undergraduate Education	142,100,000	140,440,000
Graduate Education	156,880,000	156,880,000
Human Resource Development	103,410,000	106,710,000
Research, Evaluation and Communication	66,200,000	66,200,000

The Committee recommends \$140,000,000 for the Math and Science Partnerships, while a decrease from the budget request, the funding level represents a \$12,500,000 increase over the current year funding level.

The Committee recommends \$90,000,000 for the Experimental Program to Stimulate Competitive Research (EPSCoR) program, an increase of \$15,000,000 over the budget request and equal to the 2003 funding level.

Within the Committee's recommendation for the Elementary, Secondary and Informal Education activity is an additional \$10,000,000 over the budget request for Informal Science, bringing the total program level to \$60,000,000, \$1,000,000 less than last year.

Within the Undergraduate Education activity, an additional \$6,840,000 above the budget request have been provided for the Advanced Technological Education (ATE) program for a total funding level of \$45,000,000. No funds have been provided for the start of the Workforce for the 21st century program.

Finally, within the Human Resource Development Activity, an additional \$1,270,000 above the budget request has been added to the Louis Stokes Alliances for Minority Participation (LSAMP) program for a total funding level of \$34,000,000, and \$2,030,000 above

the budget request has been added to Historically Black Colleges and Universities Undergraduate Program (HBCU-UP) for a total 2004 program level of \$22,000,000.

The Committee recommends that all other programs and activities within the Education and Human Resources account not already mentioned above should be funded at the levels proposed in the NSF 2004 budget justification.

SALARIES AND EXPENSES

Fiscal year 2004 recommendation	\$221,900,000
Fiscal year 2003 appropriation	189,115,000
Fiscal year 2004 budget request	225,700,000
Comparison with fiscal year 2003 appropriation	+32,785,000
Comparison with fiscal year 2004 request	- 3,800,000

The Salaries and Expenses activity provides for the operation, support and management, and direction of all Foundation programs and activities and includes necessary funds that develop, manage, and coordinate Foundation programs.

The Committee recommends an appropriation of \$221,900,000 for salaries and expenses, the same as the President's budget request and an increase of \$32,785,000 above last year's appropriated level.

The Committee has only recently come to understand that the salaries and related costs associated with temporary employees working for the Foundation under Intergovernmental Personnel Act and similar authorities are not included in the Salaries and Expenses account. The Committee believes that these so-called "rotator" personnel are part of the basic administrative structure of the Foundation and should be shown together with costs for Federal employees. The Committee expects future budget requests to consolidate such costs in this account.

The Committee is concerned with the current contract underway to examine the administrative and management structure of NSF, especially since NSF still has not completed a project plan. The Committee directs NSF to submit the final project plan to the Committee and the General Accounting Office for review when completed and further limits funding for this contract to \$3,000,000 in fiscal year 2004.

NATIONAL SCIENCE BOARD

Fiscal year 2004 recommendation	\$3,800,000
Fiscal year 2003 appropriation	3,477,000
Fiscal year 2004 budget request	0
Comparison with fiscal year 2003 appropriation	+323,000
Comparison with fiscal year 2004 request	+3,800,000

The National Science Board, established in 1950, establishes policies and assesses the quality, relevance and performance of the National Science Foundation's awards and capital investments. In addition, the Board provides advice to the President and the Congress on matters of science and engineering policy.

The Committee recommends \$3,800,000 for the operations of the National Science Board, an increase of \$323,000 over last year's appropriated level and equal to the budget request, which was included under Salaries and expenses. A representation allowance of \$9,000 has been provided for the Board.

The Committee directs NSF to submit the budget for the Board in the fiscal year 2005 budget justification materials as a separate account, just as the Committee has provided funds for the Board in an account separate from the "Salaries and expenses" account.

OFFICE OF INSPECTOR GENERAL

Fiscal year 2004 recommendation	\$10,000,000
Fiscal year 2003 appropriation	9,180,000
Fiscal year 2004 budget request	8,770,000
Comparison with fiscal year 2003 appropriation	+810,000
Comparison with fiscal year 2004 request	+1,230,000

This account provides National Science Foundation audit and investigation functions to identify and correct management and administrative deficiencies which could lead to fraud, waste, or abuse.

For fiscal year 2004, the Committee has recommended \$10,000,000 for the Office of Inspector General. This amount is \$810,000 above last year's funding level and is \$1,230,000 above the budget request.

NEIGHBORHOOD REINVESTMENT CORPORATION

PAYMENT TO THE NEIGHBORHOOD REINVESTMENT CORPORATION

Fiscal year 2004 recommendation	\$115,000,000
Fiscal year 2003 appropriation	104,317,000
Fiscal year 2004 budget request	115,000,000
Comparison with fiscal year 2003 appropriation	+10,683,000
Comparison with fiscal year 2004 budget request	0

The Neighborhood Reinvestment Corporation, established by title VI of Public

Law 95-557 in October 1978, is committed to promoting reinvestment in older neighborhoods by local financial institutions working cooperatively with community people and local government. This is primarily accomplished by assisting community-based partnerships (NeighborWorks organizations) in a range of local revitalization efforts. Increase in homeownership among lower-income families is a key revitalization tool. Neighborhood Housing Services of America (NHS) supports lending activities of the NeighborWorks organizations through a national secondary market that leverages its capital with private sector investment.

The Committee recommends a funding level of \$115,000,000 for fiscal year 2004, the same amount as the budget request and an increase of \$10,683,000 when compared to the fiscal year 2003 appropriation.

The Committee has included an administrative provision, as proposed in the budget submission, which would bring the NRC's compensation practices in line with those of federally chartered non-profit corporations upon which NRC's authorizing statute was modeled.